



CHICOPEE CITY COUNCIL
FINANCE COMMITTEE

ACCEPTED

MEMBERS

William Zaskey, Chairman
Robert Zygarowski, Vice-Chairman
James Tillotson
George Moreau
Dino Brunetti
Fred Krampits
Ronald Belair

MINUTES
May 3, 2010

The following are the minutes of a public hearing held Tuesday, March 16, 2010 at 6:30 PM in the City Council Chambers, Fourth Floor, City Hall Annex, 274 Front Street, Chicopee, MA 01013.

Members Present

Zaskey, Zygarowski, Tillotson, Moreau, Krampits

Not Present

Belair, Brunetti

Also Present

Councilor LaFlamme, Daniel Garvey (Associate City Solicitor), Stan Kulig (Superintendent DPW), Tom Hamel (Water Pollution Control, Chief Operator), Stephen Nembirkow (Director of Budget and Human Resources), Terry Glusko (Transportation Manager)

The meeting was called to order at 6:32 PM

ITEM #1

ORDERED THAT THE SUM OF FORTY EIGHT THOUSAND FOUR HUNDRED TEN AND 64/100 DOLLARS (\$48,410.64) BE AND HEREBY IS APPROPRIATED TO THE FOLLOWING NAMED ACCOUNT:

WATER DEPARTMENT SALARY ACCOUNT FOR ENGINEER

SAID AMOUNT IS TO BE TAKEN FROM AVAILABLE FUNDS IN THE WATER DEPARTMENT SALARY ACCOUNT FOR ASSISTANT SUPERINTENDENT/ENGINEER (ACCT # 63004501-514020)

Motion to Defeat

Committee Vote: 5-0 favorable

ITEM #2

BE IT ORDERED by the City Council pursuant to its powers delineated in Chapter 230 Section 22A of the City Code, the Council hereby establishes the following storm and sewer rates.

Storm & Sewer Rates

The following fee rates will be applied to all bills rendered on or after July 1, 2010

1.0 General Sewer Fees

Minimum Quarterly Charge	\$10.00/Quarter
Sewer Fee Rate	\$ 4.00/100 cubic feet for first 1000 cubic feet
Sewer Fee Rate	\$ 4.75/100 cubic feet or all usage over 1000 cubic feet

1.1 General Sewer Fees

- a) For all single family residential property \$25.00 per Quarter
- b.) For all commercial, industrial, multiple dwelling, and all other property \$.45 per 1000 square feet of Property per quarter

Minimum quarterly charge \$ 25.00

Maximum quarterly charge \$160.00

1.2 General Septage Fee

Septage \$75.00/1000 gallons of truck tank capacity

Tom Hamel stated that we were awarded \$22,876,874.00 for the upper Granby Road Chicopee Falls A and McKinstry sewer separation project, out of that we got 11.72% principal forgiveness to the stimulus because we qualified for that which means the first rate increase 100% is to pay for the 20,195,568.00 for the clean water alone. That came in about 1.4 million per year for twenty years; we requested a thirty year borrowing which brings it down about one million dollars. They told us we would get that and that's what the rate is based on.

Councilor Zaskey stated so the increase is based on these projects.

Councilor LaFlamme questioned if you want to have your meter checked to verify there's no problem with it; do they charge you to come out?

Stan Kulig answered if there's something wrong with it there will be no charge – if they find something wrong with it there will be a charge for their time. We're working on a program in the next three years where those outside meters will be history and there going to be radio reads which are much more accurate.

Councilor Tillotson questioned how are we going to fix that? The rate is based on a 30 year bond and you're telling me that we only went out for a 20 year bond.

Stan Kulig answered they sent us the original sheet for principal as part of the program which showed a twenty year bond, but they haven't done the borrowing yet so we requested the treasurer and bond council send in a request that we want a thirty year borrowing.

Committee Vote 5 – 0 favorable

ITEM #3

BE IT ORDERED by the City Council pursuant to its powers delineated in Chapter 230 Section 22A of the City Code, the Council hereby establishes the following storm and sewer rates.

Storm & Sewer Rates

The following fee rates will be applied to all bills rendered on or after July 1, 2011

1.0 General Sewer Fees

Minimum Quarterly Charge	\$10.00/Quarter
Sewer Fee Rate	\$ 4.45/100 cubic feet for first 1000 cubic feet
Sewer Fee Rate	\$ 5.25/100 cubic feet or all usage over 1000 cubic feet

1.1 General Sewer Fees

- a) For all single family residential property \$25.00 per Quarter
- b.) For all commercial, industrial, multiple dwelling, and all other property \$.45 per 1000 square feet of property per quarter

Minimum quarterly charge \$ 25.00

Maximum quarterly charge \$160.00

1.2 General Septage Fee

Septage \$75.00/1000 gallons of truck tank capacity

Tom Hamel stated that the rate increase is for the Chicopee Falls Phase B and that's where the balance of eighteen million comes from. This is the second increase base for this project.

Councilor Zaskey questioned is there anything we can do here as far as a resolution?

Stan Kulig answered we're probably going to be asking something from you as we move forward. I've got some additional meetings coming up. We'll give you some kind of a template and give you some information before we come before the council.

Moreau motion to approve Zaskey 2nd the motion

Committee Vote 5 – 0 favorable

Item #4

BE IT ORDERED that the School Committee is hereby authorized to enter into school bus contract(s) for the school years commencing in July 2010 for a period of three years with two option years exercisable by the city or for a five year contract period.

Steve Nembirkow stated that according to the 30B before we enter into any kind of contract greater than three years, we need to have City Council approval. For the past fifteen years the School Department has always entered into a three year contract 2 year option year for it's busing. The two year option gives us an out in case we want to renegotiate considering a bus cost well over one hundred thousand dollars and we use fifty five buses. For another vendor to come in and competitively bid they would have to advertise a five and a half million dollar cost over a time greater than three years. That allows not only our current vendor to bid competitively, it allows other people entrance into the R market with fifty five buses to bid competitively. Our last bid came in at below a negative increase for the next year.

Terry Glusko stated that the other vendor that bid was a 4.2% undercut as supposed to what we're currently paying, so that was a real economic savings. In year two it's only going to be a 2.4% increase as in year three and if we select the option years it will be a 2.9% each year but, if you factor in the decrease it really works out of an average over five years of 1.8%.

Committee Vote 5 – 0 favorable

Councilor Tillotson stated I'll use their better judgment, if they feel it's better to go with the 3 or 5 year contract than that's fine.

Councilor LaFlamme questioned are there going to be digital cameras on the buses with this new contract.

Steve Nembirkow answered we're going to audio record everything that happens on the buses. We require complete coverage.

Committee Vote 5 -0 favorable

Minutes – Minutes March 16, 2010. Councilor Zaskey motion to accept. Councilor Moreau 2nd the motion

Motion passed.

Meeting adjourned at 7:33 pm.